

# ***Iowa Petroleum Update***

September 21, 2006

## **Propane**

According to the DNR's September 18, 2006, State Heating Oil and Propane Program (SHOPP) Survey, the average retail price of propane in Iowa was \$1.49/gallon, \$0.01 lower than last month and 2.8 percent above the retail price of propane at this time last year. (DNR SHOPP survey).

The September 20, 2006, wholesale price of propane was \$0.95/gallon, \$0.17 lower than the previous month, and 19.3 percent lower than this time last year. (NYMEX Posting)

As of September 15, 2006, **Midwest propane inventory** was at 26.5 million barrels, 1.4 million barrels (5.6 percent) higher than last month and 12 percent higher than last year's level at this time. (EIA This Week in Petroleum)

By September 15, 2006, **U.S. propane inventory** stood at 67.3 million barrels, 4.6 million barrels (7.3 percent) higher than last month and 1.7 percent higher than last year's level at this time. U.S. propane inventories are near the top of the 5-year average inventory range for this time of year. (EIA This Week in Petroleum)

## **Heating Oil and Distillate**

The DNR SHOPP survey completed on September 18, 2006, indicated that the average retail price of heating oil in Iowa was \$2.43/gallon, \$0.44 lower than last month and 4.3 percent higher than the price of heating oil at this time last year. (DNR SHOPP survey)

The September 20, 2006, wholesale cost of heating oil was \$1.59/gallon, \$0.36 lower than last month and 20.5 percent lower than the wholesale price of heating oil at this time last year. (NYMEX Posting)

On September 15, 2006, **Midwest distillate inventory** was at 29.1 million barrels, 3.3 million barrels (12.8 percent) higher than last month and 5.2 percent lower than last year's stock level at this time. (EIA This Week in Petroleum)

On September 15, 2006, total **U.S. distillate inventory** was 148.7 million barrels, 13.2 million barrels (9.7 percent) higher than last month and 10.9 percent higher than last year's stock level at this time. U.S. distillate inventory is significantly above the top of the 5-year average inventory range for this time of year. (EIA This Week in Petroleum)

As of September 15, 2006, refiners utilized 93.4 percent of their 17.1 million barrels per day operating capacity, 0.6 percentage points higher than last month. (OPIS DOE Inventory Report)

## **Natural Gas**

On September 20, 2006, natural gas was trading at \$4.83/MMBtu, \$2.34 lower than month, and 66.2 percent lower than the price of natural gas this time last year (\$14.30/MMBtu). (NYMEX Posting)

On September 15, 2006, U.S. natural gas stocks in storage totaled 3,177 Bcf, 320 Bcf (11.2 percent) higher than the previous month and 12.5 percent above the five-year average inventory range for this time of year. (EIA Natural Gas Weekly)

The September 15, 2006, natural gas rotary rig count was 1,422, 0.4 percent lower than last month. The rig count is 15.6 percent higher than last year's count at this time. (Baker Hughes Rig Count)

### **Transportation Fuels**

The September 15, 2006, survey indicated that Iowans paid an average of \$2.27/gallon for self-serve regular unleaded gasoline, \$0.65 lower than the previous month. A year ago, the average price was \$2.76. (OPIS survey)

The September 15, 2006, survey found that the average price of regular unleaded with ethanol was \$2.26/gallon, \$0.65 lower than the previous month. A year ago, the average price was \$2.72. The latest data shows ethanol-blended gasoline represents 72 percent of all retail gasoline sold in Iowa. (OPIS survey)

The September 18, 2006, **Midwest gasoline price** average was \$2.29/gallon for regular self-serve conventional unleaded gasoline, \$0.55 lower than last month. A year ago, the average was \$2.67/gallon. (EIA This Week in Petroleum)

The September 18, 2006, **U.S. gasoline price** average was \$2.44/gallon for regular self-serve conventional unleaded gasoline, \$0.44 lower than last month. A year ago, the average was \$2.73/gallon. (EIA This Week in Petroleum)

On September 15, 2006, **Midwest gasoline stocks** were at 51 million barrels, 2.4 million barrels (4.9 percent) higher than last month, and 1 percent higher than last year's stock at this time. (EIA This Week in Petroleum)

By September 15, 2006, total **U.S. motor gasoline stocks** were at 207.6 million barrels, 1.8 million barrels (0.9 percent) higher than last month, and 6.2 percent higher than last year's stock level at this time. Gasoline stocks are at the top of 5-year average inventory range for this time of year. (EIA This Week in Petroleum)

As of September 15, 2006, U.S. gasoline demand was at 9.2 million barrels per day, 4.6 percent points higher than this time last year. (EIA This Week in Petroleum)

### **Diesel Fuel**

The September 15, 2006, average price of self-serve diesel fuel in Iowa was \$2.78/gallon, \$0.45 lower than the previous month. Diesel fuel was \$2.72 per gallon one year ago. (OPIS Survey)

The September 18, 2006, average price of **Midwest diesel fuel** was \$2.62/gallon, \$0.42 lower than last month. A year ago, the average was \$2.65/gallon. (EIA This Week in Petroleum)

As of September 15, 2006, **Midwest ultra low sulfur diesel stocks** were at 14.1 million barrels, 28.2 percent higher than last month, and 6,950 percent higher than last years inventory at this time. **Midwest low sulfur diesel stocks**

were at 10.5 million barrels, 0.1 million barrels (1 percent) higher than last month, and 53.5 percent lower than last year stock level at this time. (EIA This Week in Petroleum)

As of September 15, 2006, **U.S. ultra low sulfur diesel inventories** were at 47.9 million barrels, 9.3 percent higher than last month, and 3,321 percent higher than last year's stock level at this time. **U.S. low sulfur diesel stocks** were at 39.4 million barrels, 1.1 million barrels (2.9 percent) higher than last month, and 46.1 percent lower than last year's stock level at this time. (EIA This Week in Petroleum)

As of September 15, 2006, **U.S. distillate demand** was at 4.1 million barrels per day, 6.9 percent higher than this time last year. (EIA This Week in Petroleum)

### **Crude Oil**

Crude oil finished trading on September 20, 2006, at \$60.47/barrel, \$10.95 lower than the previous month and 9.4 percent lower than last year at this time. One year ago, crude oil was \$66.76/barrel. (NYMEX Posting)

On September 15, 2006, **U.S. crude oil stocks** totaled 324.9 million barrels, down 6.1 million barrels (1.8 percent) from the previous month and 5.5 percent higher than this time last year. Crude oil stocks are significantly above the top of the 5-year average inventory range for this time of year. (EIA This Week in Petroleum)

### **Agriculture Harvest Note.**

As of September 17, 2006 corn in or past dent stage was 98 percent, 1 percentage point ahead of last year and 5 percentage points ahead of the 5-year average. Corn mature (safe from frost) was 58 percent, 3 percentage points ahead of last year and 7 percentage points ahead of normal.

Ninety-one percent of the soybeans are turning color, even with last year but 4 days ahead of the 5-year average. Soybeans dropping leaves reached 56 percent for the state, 2 days behind last year but 2 days ahead of normal.

The third alfalfa harvest was reported 97 percent complete, just 1 percentage point behind last year but 2 percentage points ahead of the 5-year average. (USDA – National Agricultural Statistical Service, Iowa Crops & Weather Report)

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